# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:1584
ANSWERED ON:09.12.2004
PRIVATISATION OF REFINERIES
Singh Shri Dushyant

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether oil refineries were earlier proposed to be privatised ;

(b) if so, the reasons therefor;

(c) whether Government has now decided not to privatize any Oil Refinery;

(d) if so, the reasons therefor; and

(e) the action taken thereon?

## Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR )

(a) to (e): In terms of the prevalent policy, the previous Government had decided in January, 2003 to disinvest 34.01% of shares through strategic sale in Hindustan Petroleum Corporation Limited (HPCL) and 35.2% shares through offer for sale in domestic/foreign markets in Bharat Petroleum Corporation Limited (BPCL). The process was stopped in September, 2003 following the judgement of the Supreme Court in the case of Centre for Public Interest Litigation Vs. Union of India & Others.

The policy of the present Government in regard to disinvestment in PSUs is laid down in the National Common Minimum Programme (NCMP). The NCMP, inter-alia, envisages that the existing 'Navaratna' companies will be retained in the public sector and that profit-making PSUs will not generally be privatized. There is no separate policy for disinvestment of Oil Refineries.